

MORNINGSTAR Indexes

Market Surprises Versus Enduring Investment Trends

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Recent years have seen macroeconomic forecasts upended and conventional wisdom challenged. The forces that move markets, how assets interact, and which investments best suit the macro environment are less predictable than we like to believe. Correlations between equities and fixed income have fluctuated, and a new, higher interest rate regime has had a surprising impact on market leadership. The end of ZIRP (Zero Interest Rate Policy) and TINA (There is No Alternative to equities) is not without consequences. Some investment trends that once seemed transformational now look less enduring. Others, including the rise of passive strategies, the role of sustainable investing, and the convergence of public and private markets have been less susceptible to disruption. The key for investors is to discern long-term secular signal amidst short-term market noise.

Dan joined Morningstar's Manager Research Team as an analyst in 2004, specializing in global equities strategies. He helped build Morningstar's research capability in Europe and Asia before joining the Index group in 2015. In his role as Strategist, he produces thought leadership supporting Morningstar's indexing capabilities across a range of asset classes and investment types. Prior to joining Morningstar, Lefkovitz worked for global macro risk consultancy, during which time he coauthored Risk Rules: How Local Politics Threaten the Global Economy (Agate). Lefkovitz holds a bachelor's degree from the University of Michigan and a master's degree from the University of Chicago.

